
Mandatory Procedure for Disposal of GSA Internal Personal Property

PURPOSE: To provide all GSA employees with a procedure to follow to properly dispose of GSA internal personal property.

BACKGROUND: The Federal Management Regulations (FMR) requires that all excess property is disposed of in accordance with the regulations. All GSA personal property is purchased with taxpayer dollars and we must be responsible stewards of that property. All GSA employees interact with internal personal property and require a written procedure to follow at time of disposal.

DEFINITIONS:

1. AAMS. FAS' Agency Asset Management System is a component of GSAXcess that enables internal screening of available GSA excess property. Employees with account access to GSAXcess automatically have access to AAMS and have the ability to screen internal excess property.
2. Abandonment and Destruction Criteria. Property may be abandoned or destroyed when the GSA National Utilization Officer (NUO) has made a written determination that:
 - The property has no commercial value. "No commercial value" means that the property, through GSA's NUO determination, has neither utility nor monetary value (either as an item or as scrap).
 - The cost of care, handling and preparation of the property for sale would be greater than the expected sales proceeds (estimated fair market value).
3. Acquisition Cost. The original cost to the government of an item of personal property as it is recorded in the financial and accounting records of the agency.
4. Activity Address Code (AAC). A distinct six-position alphanumeric code assigned by FAS to identify specific units, activities, or organizations that have the authority to requisition and receive excess or surplus property. The AAC is necessary for disposing of property. Contact the NUO.
5. Area Property Officer (APO). APOs are GSA-FAS field representatives with assigned geographic areas within the United States and its territories. APOs assist federal agencies, nonfederal recipients and State Agencies for Surplus Property (SASPs) with the screening, acquisition, donation and sale of property.
6. Computers for Learning (CFL). This program allows the transfer of computers and peripheral devices directly to schools and educational non-profits through the CFL Program in GSAXcess. This authority is from EO 12999, Educational Technology: Ensuring Opportunity for All Children in the Next Century. The EO is located here: <http://www.gsa.gov/portal/content/100841>.
7. Disposal. The processes that will result in the removal of personal property from official records by the transfer, donation or sale of usable excess and surplus property and the abandonment or destruction (or other actions) of excess property.
8. Disposal Condition Codes. All excess property has a disposal condition codes. (41 CFR 102-36.240) The codes are: 1=New, 4=Used, 7=Repairable, X=Salvage and S=Scrap.
9. Donation. Refers to transfers of property under the Federal Surplus Personal Property Donation Program, whereby surplus property can be donated to state and local government agencies, municipal organizations and eligible nonprofit organizations through the appropriate State Agency for Surplus Property (SASP) via FAS Area Property Officers. (See definition of "surplus personal property.")

10. Excess Personal Property. Any personal property under the control of any federal agency that is no longer required for that agency's needs, as determined by the agency head or designee.
11. Exchange/Sale Property. Exchange/Sale is an authority provided by Section 503 of Title 40, United States Code, under which executive agencies, when acquiring replacement property, may exchange or sell similar items and may apply the exchange allowance or proceeds of sale in whole or in part payment for the property acquired. Terms and conditions of exchange/sale use must be fully documented in the contract vehicle used to acquire the replacement property.
12. GSAXcess®. GSAXcess is a web-enabled platform that is used to report, search and select excess property. GSAXcess is located at: www.gsaxcess.gov.
13. National Utilization Officer (NUO). The agency designated property management official whose duties consist of broad responsibilities related to the utilization of property. Additionally, NUOs provide approval for access to GSAXcess® to users within their respective federal agencies, nonfederal recipients and contractor employees.
14. Nonfederal Recipients. Nonfederal recipients are entities obtaining excess property such as schools and nonprofit organizations.
15. Personal Property. As defined by FMR 102-36.40, “personal property” means any property, except real property. For purposes of this part, the term excludes records of the Federal Government, and naval vessels of the following categories: battleships, cruisers, aircraft carriers, destroyers, and submarines. This includes but is not limited to: furniture, IT, cell phones, vehicles and office supplies.
16. Real Property. (Truncated definition) Any interest in land, together with the improvements, structures, and fixtures located thereon (including prefabricated movable structures, such as Butler-type storage warehouses and Quonset huts, and house trailers with or without undercarriages), and appurtenances thereto, under the control of any Federal agency.
17. Screening. Screening is the process of viewing property in GSAXcess® or physically inspecting property or reviewing hardcopy lists of reports of property that is available for utilization and donation transfers. Simultaneous utilization and donation screening follows “internal screening” performed by federal agencies and begins when GSA receives a report of excess personal property. Excess property is generally available for 21 days of screening.
18. Surplus Property. Excess personal property no longer required by federal agencies as determined by GSA.

PROCEDURE: Prior to disposing of any internal personal property, you must:

1. For GSA internal excess property:
 - a) Prepare a complete inventory of the excess property including make, model, serial number, original acquisition cost, and quantity.
 - b) Contact either the National Utilization Officer (NUO), OAS Workplace Services personnel, or your local FAS Area Property Officer (APO) for assistance. All allocations (determination of recipients) are made by the FAS Area Property Officers. Find area property officers at:
<http://www.gsa.gov/portal/staffDirectory/topic/17@@>
 - c) All GSA internal excess property disposals MUST go through GSAXcess. This includes all CFL transactions.
 - d) To access GSAXcess contact the NUO for an activity address code (AAC). With an AAC you will be granted access to use GSAXcess to report excess property.
 - e) Once granted access to GSAXcess, select “create report” and input the required

information.

- f) The holding organization (organization that is declaring excess and has the property in its possession) must retain and conserve the personal property until transfer to another entity.
- g) Once an allocation of the property is made to another entity (allocation from the APO) the transfer can occur. All shipping fees associated with the transfer are paid by the receiver.
- h) In the event that no federal entity or eligible donee requests the item then the material is deemed surplus to the government's needs and can be sold through FAS.

2. For excess IT and other electronics subject to e-waste concerns:

- a) Actively ensure that the functional items are no longer needed within GSA or the federal government by using GSAXcess.
- b) Identify all assets with the disposal condition codes. (41 CFR 102-36.240) The codes are: 1=New, 4=Used, 7=Repairable, X=Salvage and S=Scrap.
- c) Only items with disposal condition codes X or S can be sent to a recycler.
- d) Only recyclers certified as R2 or E-Stewards shall be used. Other certification standards being developed may be approved in the future.
- e) Preference is for using the GSA/USPS MOU for recycling with the USPS program. See previously issued guidance on using the MOU.
- f) Data must be sanitized in accordance with NIST 800-88. You can find the standard at: <http://nvlpubs.nist.gov/nistpubs/SpecialPublications/NIST.SP.800-88r1.pdf>
- g) Ensure that any proprietary data, barcode labels, data plates, and software have been removed from the property prior to packing and shipping. Remove all identification that contains GSA logos or ownership information.

3. For property disposal considered for abandonment and destruction:

Property may be abandoned or destroyed when the GSA National Utilization Officer has made a written determination that:

- ◆ The property has no commercial value. "No commercial value" means that the property, through GSA's NUO determination, has neither utility nor monetary value (either as an item or as scrap), and
- ◆ The cost of care, handling and preparation of the property for sale would be greater than the expected sales proceeds (estimated fair market value).

Authority to make this determination will not be delegated.

ANNUAL REPORTS: GSA is required to submit reports of all transactions per GSA BULLETIN FMR B-27. <http://www.gsa.gov/portal/content/102955#PersonalPropertyManagement>. Reporting is required for:

1. EXCHANGE/SALE PROPERTY. Annual Exchange/Sale Summary Report

GSA NUO must submit a summary report of all exchange/sale transactions made during the fiscal year (except for transactions involving books and periodicals) within 90 calendar days after the close of each fiscal year. Negative reports must also be provided for fiscal years for which no transactions have occurred. The report must include the following information: Report Control Number: 1528-GSA-AN.

List all property sold by Federal Supply Classification Group in the following categories:

- a. Number of items sold

- b. Acquisition cost
- c. Net proceeds

List property exchanged by Federal Supply Classification Group of property in the following categories:

- a. Number of items exchanged
- b. Acquisition cost
- c. Exchange allowance

2. TRANSFERS TO NONFEDERAL RECIPIENTS

GSA NUO must submit an annual report of personal property furnished to nonfederal recipients. Property transferred to schools and eligible nonprofits are subject to reporting. The report must reference all property originally obtained as excess. Negative reports are required. The report (interagency report control number 0154-GSA-AN) must reference 41 CFR 102-36 and list the recipients' names and addresses, status (i.e., cost-reimbursable contractor, project grantee, school, nonprofit entity, etc.), total acquisition cost of all property furnished, and identified by each applicable two-digit FSC code. Negative reports are required.

FOR MORE INFORMATION: If you have any questions or require additional information contact Katherine A. Rhodes, GSA Personal Property Manager / National Utilization Officer at (202) 501-0009, or katherine.rhodes@gsa.gov.